

UNITED STATES BANKRUPTCY COURT
EASTERN DISTRICT OF NEW YORK

-----X
In re

Chapter 11

WINDING ROAD PROPERTIES, INC.,

Case No. 05-86739

Debtor.
-----X

STIPULATION AND ORDER OF DISMISSAL

Upon the motion of Winding Road Properties, Inc. ("Debtor") seeking dismissal of this Chapter 11 case, and upon the hearing held before this Court on October 31, 2007, and after due deliberation and sufficient cause appearing therefor, it is

ORDERED, that, within ten (10) days of the entry of this order, the Debtor disburse, as set forth below, the funds in its possession, including those funds generated from the sale of the property located at 501 Winding Road in the Village Old Bethpage, Town of Oyster Bay, Nassau County, New York, referred to as the former Claremont Polychemical Corporation Superfund Site (the "Property"). The funds shall be disbursed as follows: (a) the Debtor shall pay the United States Trustee \$8,500 pursuant to 28 U.S.C. § 1930 and simultaneously provide to the United States Trustee an appropriate affidavit indicating the cash disbursements for the relevant period, (b) the Debtor shall pay such amounts as the Bankruptcy Court may award as and for fees and disbursements to Backenroth Frankel & Krinsky, LLP, as attorneys for the Debtor, and Keen Realty, LLC, as real estate consultant for the Debtor, (c) the Debtor shall pay \$500,000 to Nassau County in full and final satisfaction of any and all real estate tax claims

against the Property, (d) the Debtor shall pay \$10,000 to the firms of Underweiser & Underweiser, LLP and Zinker & Herzberg, LLP, collectively, according to the joint direction of those firms, (e) the Debtor shall hold \$1,500 in reserve for fees to be incurred in filing a final tax return and dissolving the Debtor under New York law, and (f) the Debtor shall pay all remaining funds to the United States, on behalf of the U.S. Environmental Protection Agency ("EPA") in reimbursement of costs EPA has paid at or in connection with the property. Such disbursement will be deposited in a site-specific special account within the EPA Hazardous Substance Superfund to be retained and used to conduct or finance response actions at the Site or be deposited into the EPA Hazardous Substance Superfund, in accordance with instructions provided by the United States to the Debtor; and it is further

ORDERED, under 11 U.S.C. § 1112(b), that this case commenced under Chapter 11 of the Bankruptcy Code be, and is hereby, dismissed; and it is further

ORDERED, that the *Order Authorizing the Debtor to Sell and Transfer its Premises Located at 501 Winding Road, Old Bethpage, New York*, entered by the Court on August 17, 2007 [docket no. 58] shall remain in full force and effect, notwithstanding §349(b) of the Bankruptcy Code, if applicable.

Central Islip, New York
October 31, 2007

/s/ Joel B. Rosenthal
HONORABLE JOEL B. ROSENTHAL
UNITED STATES BANKRUPTCY JUDGE

DISBURSEMENT OF FUNDS AS SET FORTH ABOVE
STIPULATED, AGREED TO, AND CONSENTED TO:

THE UNITED STATES OF AMERICA, ON
BEHALF OF THE UNITED STATES
ENVIRONMENTAL PROTECTION AGENCY,
BENTON J. CAMPBELL
United States Attorney
Eastern District of New York
271 Cadman Plaza East
Brooklyn, NY 11201

Date: _____

By: s/ James F. Doyle
JAMES F. DOYLE (JFD-4983)
Special Assistant U.S. Attorney
290 Broadway
New York, New York 10007
(212) 637-3165

WINDING ROAD PROPERTIES, INC.

Date: October 30, 2007

By: s/Mark Frankel (mf-8417)
Backenroth Frankel & Krinsky, LLP
489 Fifth Avenue
New York, New York 10017
(212) 593-1100

